



EB-2013-0130

IN THE MATTER OF the *Ontario Energy Board Act*,
1998, S.O. 1998, c. 15, (Schedule B);

AND IN THE MATTER OF an application by Fort
Frances Power Corporation for an order approving
just and reasonable rates and other charges for
electricity distribution to be effective May 1, 2014.

BEFORE: Cathy Spoel
Presiding Member

Marika Hare
Member

DECISION AND RATE ORDER
September 18, 2014

Fort Frances Power Corporation (“FFPC”) filed a complete cost of service application (the “Application”) with the Ontario Energy Board (the “Board”) on February 14, 2014 under section 78 of the *Ontario Energy Board Act*, 1998, S.O. 1998, c. 15, (Schedule B) seeking approval for changes to the rates that FFPC charges for electricity distribution, to be effective May 1, 2014.

The Board issued its Decision and Order (the “Decision”) on the application on August 14, 2014. In the Decision, the Board ordered FFPC to file a draft Rate Order reflecting the Board’s findings in the Decision.

FFPC filed a draft Rate Order (“DRO”) and supporting material on August 27, 2014.

Intervenor and Board staff comments on the DRO were filed by September 3, 2014.

The only comments on the DRO were made by Board staff which suggested a number of changes to the draft accounting orders. The Board accepts several proposed changes suggested by Board staff. With respect to the accounting orders, the Board finds that they will be as established in Appendices B and C respectively.

The Board has reviewed the information provided in support of the draft Rate Order and the proposed Tariff of Rates and Charges. The Board is satisfied that the Tariff of Rates and Charges filed accurately reflects the Board's Decision in this proceeding. The Board approves an implementation date of September 1, 2014.

THE BOARD ORDERS THAT:

1. The Tariff of Rates and Charges for Fort Frances Power Corporation set out in Appendix A of this Decision and Rate Order is approved effective September 1, 2014 and is to be implemented on September 1, 2014. Fort Frances Power Corporation shall notify its customers of the rate changes no later than with the first bill reflecting the new rates.
2. Fort Frances Power Corporation shall establish the accounts specified in the Accounting Orders, Appendices B and C, effective September 1, 2014.

DATED at Toronto, September 18, 2014

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

Appendix A

TO RATE ORDER

Fort Frances Power Corporation

2014 Electricity Distribution Rates

EB-2013-0130

Fort Frances Power Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date September 1, 2014

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2013-0130

RESIDENTIAL SERVICE CLASSIFICATION

This section governs all services intended to supply electrical energy to buildings or sections of buildings devoted to living quarters such as houses, living accommodations at the rear of stores, self-contained and individually metered suites. These services are commonly referred to as Residential or Domestic Services. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	18.64
Rate Rider for Smart Metering Entity Charge – effective until October 31, 2018	\$	0.79
Rate Rider for Recovery of Stranded Meter Assets – effective until August 31, 2015	\$	0.86
Distribution Volumetric Rate	\$/kWh	0.0136
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) – effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kWh	(0.0063)
Rate Rider for Disposition of Global Adjustment Account (2014) – effective until August 31, 2016		
Applicable only for Non-RPP Customers	\$/kWh	(0.0047)
Rate Rider for Disposition of Deferral/Variance Accounts (2013) – effective until April 30, 2015	\$/kWh	(0.0004)
Rate Rider for Disposition of Deferral/Variance Accounts (2014) – effective until August 31, 2016	\$/kWh	0.0001
Rate Rider for Disposition of Account 1576 – effective until August 31, 2019	\$/kWh	(0.0004)
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM) – effective until August 31, 2015	\$/kWh	0.0004
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0071
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0017

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Fort Frances Power Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date September 1, 2014

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2013-0130

GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION

This section governs small commercial services and includes small stores, small service stations, restaurants, Churches, small offices and other establishments with similar loads and whose monthly average peak demand is less than, or forecast to be less than, 50 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	43.12
Rate Rider for Smart Metering Entity Charge – effective until October 31, 2018	\$	0.79
Rate Rider for Recovery of Stranded Meter Assets – effective until August 31, 2015	\$	6.99
Distribution Volumetric Rate	\$/kWh	0.0098
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) – effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kWh	(0.0063)
Rate Rider for Disposition of Global Adjustment Account (2014) – effective until August 31, 2016		
Applicable only for Non-RPP Customers	\$/kWh	(0.0047)
Rate Rider for Disposition of Deferral/Variance Accounts (2013) – effective until April 30, 2015	\$/kWh	(0.0004)
Rate Rider for Disposition of Deferral/Variance Accounts (2014) – effective until August 31, 2016	\$/kWh	0.0002
Rate Rider for Disposition of Account 1576 – effective until August 31, 2019	\$/kWh	(0.0004)
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM) – effective until August 31, 2015	\$/kWh	0.0005
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0064
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0015

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Fort Frances Power Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date September 1, 2014

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2013-0130

GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION

This type of service will normally be applicable to small industry, departmental or larger stores such as supermarkets, shopping centres, storage buildings, large garages, restaurants, office buildings, institutions, hotels, hospitals, schools, colleges, arenas, apartment blocks or buildings and other comparable establishments and whose monthly average peak demand is equal to or greater than, or forecast to be equal to or greater than 50 kW but less than 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	171.03
Rate Rider for Recovery of Stranded Meter Assets – effective until August 31, 2015	\$	19.63
Distribution Volumetric Rate	\$/kW	2.5803
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) – effective until April 30, 2015		
Applicable only for Non-RPP Customers	\$/kW	(2.4469)
Rate Rider for Disposition of Global Adjustment Account (2014) – effective until August 31, 2016		
Applicable only for Non-RPP Customers	\$/kW	(1.8481)
Rate Rider for Disposition of Deferral/Variance Accounts (2013) – effective until April 30, 2015	\$/kW	(0.1671)
Rate Rider for Disposition of Deferral/Variance Accounts (2014) – effective until August 31, 2016	\$/kW	0.0361
Rate Rider for Disposition of Account 1576 – effective until August 31, 2019	\$/kW	(0.1381)
Retail Transmission Rate – Network Service Rate	\$/kW	2.6255
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.6308

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Fort Frances Power Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date September 1, 2014

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2013-0130

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per customer)	\$	37.87
Distribution Volumetric Rate	\$/kWh	0.0086
Rate Rider for Disposition of Deferral/Variance Accounts (2013) – effective until April 30, 2015	\$/kWh	(0.0004)
Rate Rider for Disposition of Account 1576 – effective until August 31, 2019	\$/kWh	(0.0004)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0064
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0015

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Fort Frances Power Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date September 1, 2014

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2013-0130

STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to an account for roadway lighting with a Municipality within the service boundaries. The consumption for these customers is based on the calculated load times the established hours of use in the OEB load shape template. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	\$	1.59
Distribution Volumetric Rate	\$/kW	4.1381
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) – effective until April 30, 2015 Applicable only for Non-RPP Customers	\$/kW	(2.2660)
Rate Rider for Disposition of Global Adjustment Account (2014) – effective until August 31, 2016 Applicable only for Non-RPP Customers	\$/kW	(1.6400)
Rate Rider for Disposition of Deferral/Variance Accounts (2013) – effective until April 30, 2015	\$/kW	(0.1545)
Rate Rider for Disposition of Deferral/Variance Accounts (2014) – effective until August 31, 2016	\$/kW	(0.5966)
Rate Rider for Disposition of Account 1576 – effective until August 31, 2019	\$/kW	(0.1225)
Retail Transmission Rate – Network Service Rate	\$/kW	1.9801
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.4878

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Fort Frances Power Corporation
TARIFF OF RATES AND CHARGES
Effective and Implementation Date September 1, 2014

**This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors**

EB-2013-0130

microFIT GENERATOR SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Ontario Power Authority's microFIT program and connected to the distributor's distribution system. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	5.40
----------------	----	------

Fort Frances Power Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date September 1, 2014

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2013-0130

ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.60)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

SPECIFIC SERVICE CHARGES

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

Customer Administration		
Arrears certificate	\$	15.00
Statement of account	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Request for other billing information	\$	15.00
Easement letter	\$	15.00
Income Tax Letter	\$	15.00
Legal Letter	\$	15.00
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	25.00
Returned cheque charge (plus bank charges)	\$	25.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
Non-Payment of Account		
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Disconnect/Reconnect at meter - during regular hours	\$	65.00
Disconnect/Reconnect at meter - after regular hours	\$	185.00
Disconnect/Reconnect at pole - during regular hours	\$	185.00
Disconnect/Reconnect at pole - after regular hours	\$	415.00
Other		
Install/Remove load control device - during regular hours	\$	65.00
Install/Remove load control device - after regular hours	\$	185.00
Service call – customer owned equipment	\$	65.00
Service call – after regular hours	\$	165.00
Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35

Fort Frances Power Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date September 1, 2014

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2013-0130

RETAIL SERVICE CHARGES (if applicable)

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.25
Processing fee, per request, applied to the requesting party	\$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year	\$	no charge
More than twice a year, per request (plus incremental delivery costs)	\$	2.00

LOSS FACTORS

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0470
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0365

Appendix B

TO RATE ORDER

Fort Frances Power Corporation

2014 Electricity Distribution Rates

EB-2013-0130

Accounting Order
Fort Frances Power Corporation
EB-2013-0130
For Rates Effective September 1, 2014
Long Term Load Transfer Project

For greater clarity, this accounting order is intended to reflect the Board's Decision in EB-2013-0130. Fort Frances Power Corporation ("FFPC") shall establish the following Variance Accounts effective September 1, 2014:

Account 1508, Other Regulatory Assets, "Sub-account Long Term Load Transfer (LTLT)"

FFPC shall record all costs to connect electricity customers that reside within FFPC's licensed Distribution Service Territory that are currently serviced by Hydro One.

FFPC shall create the following sub-accounts to permit the separate identification of capital and non-capital cost components.

Carrying charges shall be determined by applying the Board approved rate pursuant to the Board's interest rate policy, and recorded in the sub-accounts. Simple interest shall be calculated on the opening monthly principal balance of the account until the balance is fully disposed. The amounts recorded shall be brought forward for disposition in FFPC's next Cost of Service rate application.

ACTUAL SPENDING

- A. To record capital and non-capital expenditures for the LTLT Project, and monthly carrying charges at the rate of interest prescribed by the Board for deferral and variance accounts for their respective quarterly period:
- Account 1508-Other Regulatory Assets-Sub-account LTLT Project Capital
 - Account 1508-Other Regulatory Assets-Sub-account LTLT Project OM&A
 - Account 1508-Other Regulatory Assets-Sub-account LTLT Project Capital, Carrying Charges
 - Account 1508-Other Regulatory Assets-Sub-account LTLT Project OM&A, Carrying Charges

B. To record depreciation:

- Account 1508-Other Regulatory Assets-Sub-account LTLT Project, Depreciation Expense
- Account 1508-Other Regulatory Assets-Sub-account LTLT Project, Accumulated Depreciation

C. FFPC shall use the following accounts to record revenues associated with the inclusion of the subject assets in revenue requirement. Given that the revenue requirement associated with the subject assets is embedded in base rates, FFPC shall make best efforts to calculate a proxy amount for actual revenue recovered on a monthly basis.

- Account 1508 Other Regulatory Assets-Sub-account LTLT, Project Rate Revenues
- Account 1508 Other Regulatory Assets-Sub-account LTLT, Project Rate Revenues, Carrying Charges

At FFPC's next cost of service application, FFPC shall perform a true-up based on the difference between Account 1508 – Other Regulatory Assets, Sub-account, LTLT Project Rate Revenues (plus the associated carrying charge account) and the re-calculated revenue requirement relating to the actual expenditures recorded in the applicable accounts (including the associated carrying charges).

Appendix C

TO RATE ORDER

Fort Frances Power Corporation

2014 Electricity Distribution Rates

EB-2013-0130

Accounting Order

Fort Frances Power Corporation

EB-2013-0130

For Rates Effective September 1, 2014

Renewable Generation Connection Funding Adder Deferral Account

Fort Frances Power Corporation (FFPC) shall establish the following Variance Account effective September 1, 2014, with the recovery from IESO of \$2,170 annually or \$181 monthly.

Account 1533, Renewable Generation Connection Funding Adder Deferral Account, “Sub-account Provincial Rate Protection Payment Variances”

FFPC is planning Renewable Generation Connection investments which may be eligible for rate protection under the provisions of O. Reg. 330/09 (Cost Recovery Re Section 79.1 of the [OEB] Act). Eligible investments are as described under section 79.1 of the Ontario Energy Board Act, 1998.

The purpose of the variance account is to track the variance between FFPC’s revenue requirement¹ required to support the portion of the investments that are eligible for rate protection, and the rate protection payments collected from the Independent Electricity Systems Operation (IESO).

FFPC shall use Account 1533, Renewable Generation Connection Funding Adder Deferral Account, “Sub-account Provincial Rate Protection Payment Variances” and will calculate and record on an annual basis, as a variance account the net of:

1. the revenue requirement associated with the portion of the capital and/or operating costs that are eligible for provincial rate protection, as incurred by FFPC for eligible renewable enabling and expansion investments for the period of 2014 through 2018;
and
2. the payment amounts collected by FFPC from IESO as a result of any Board order(s) directing such payments from IESO to FFPC. The balance will not attract carrying charges.

The prudence of the planned investments, including the costs recorded in the account and their eligibility for provincial rate protection under O. Reg. 330/09 and any disposition and recovery of variance account balances, are matters that will be addressed and determined in a future proceeding.

¹ See the Board’s Filing Requirements for Electricity Distribution Rate Applications (dated July 18, 2014) Chapter 2/Section 2.5.2.5 and Appendices 2-FA, 2-FB and 2-FC regarding Costs of Eligible Investments for the Connection of Qualifying Generation Facilities and templates for their calculation.

The account requirements for “Sub-account Provincial Rate Protection Payment Variances” of Account 1533 are provided below:

- A. FFPC shall use Account 1533, Renewable Generation Connection Funding Adder Deferral Account, “Sub-account Provincial Rate Protection Payment Variances” to record with respect to the Provincial Rate Protection payments under O. Reg. 330/09 at the end of the each fiscal year, the net of:
 - I. The annual revenue requirement impact on an actual basis applicable to in-service capital assets and depreciation, and incurred operation, maintenance and administrative expenses eligible for Provincial Rate Protection,
 - and
 - II. Provincial Rate Protection payments, as approved by the Board, received from the Independent Electricity Systems Operator for the year.
- B. For the purposes of calculating the revenue requirement impacts eligible for the Provincial Rate Protection on an actual basis, FFPC shall ensure the correct allocations and percentages are used to determine the eligible portions of the in-service capital assets and depreciation, and incurred operation maintenance and administrative expenses. No direct benefits as defined in O. Reg. 330/09 associated with the aforementioned capital assets and expenses shall be included in the revenue requirement impact.
- C. There will be a prudence review undertaken for not yet in-service capital assets and incurred expenses. FFPC has provided estimates for these amounts to determine the revenue requirement impacts to derive amounts eligible for the Provincial Rate Protection. At the time of FFPC’s request for disposition of the balance in this account in its next rebasing application, the Board will conduct a prudence review of the actual incurred spending for the by then in-service capital assets and expenses. The Board may also determine whether changes to revenue requirement impact amounts require changes to the Provincial Rate Protection payment amounts to be received by FFPC from the Independent Electricity Systems Operator. Upon the completion of this review, FFPC shall continue to on an ongoing basis track and record amounts in the “Sub-account Provincial Rate Protection Variances” as outlined above in paragraph A compliant with any changes the Board may require or approve.
- D. No accounting carrying changes shall accrue on the balance in “Sub-account Provincial Rate Protection Payment Variances.”
- E. The Provincial Rate Protection payments, as approved by the Board, received from the Independent Electricity Systems Operator shall be recorded in “Sub-account, Provincial Rate Protection Payments” of Account 4080. The offsetting entry to “Sub-account Provincial Rate Protection Payment Variances” should be to this sub-account of Account 4080.
- F. Detailed records shall be maintained showing the derivation of the amounts recorded in “Sub-account Provincial Rate Protection Payment Variances” including supporting documentation for the calculation of revenue requirement impacts for the Provincial Rate Protection eligible amounts.